

AMENDMENTS TO LB 218A

Introduced by Cornett, 45.

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 77-27,228, Revised Statutes Cumulative
4 Supplement, 2008, is amended to read:

5 77-27,228 (1) For purposes of sections 77-27,228 to
6 77-27,234, subject to subsection (2) of this section, planned gift
7 means an irrevocable contribution to a qualified endowment when the
8 contribution uses any of the following techniques authorized under
9 the Internal Revenue Code of 1986, as amended:

10 (a) Charitable remainder unitrusts, as defined by section
11 664(d)(2) of the code;

12 (b) Charitable remainder annuity trusts, as defined by
13 section 664(d)(1) of the code;

14 (c) Pooled income ~~fund trusts,~~ funds, as defined by
15 section 642(c)(5) of the code;

16 (d) Charitable lead unitrusts qualifying under section
17 170(f)(2)(B) of the code;

18 (e) Charitable lead annuity trusts qualifying under
19 section 170(f)(2)(B) of the code;

20 (f) Charitable gift annuities ~~undertaken pursuant to~~
21 ~~section 1011(b) of the code,~~ qualifying under section 59-1802;

22 (g) Deferred charitable gift annuities ~~undertaken~~
23 ~~pursuant to section 1011(b) of the code,~~ qualifying under section

1 59-1802;

2 (h) Charitable life estate agreements qualifying under
3 section 170(f)(3)(B) of the code; or

4 (i) Paid-up life insurance policies qualifying as a
5 deduction under section 170 of the code.

6 (2)(a) A contribution using a technique described in
7 subdivision (1)(a) or (1)(b) of this section is not a planned gift
8 unless the trust agreement provides that the trust cannot terminate
9 and the beneficiaries' interest in the trust cannot be assigned or
10 contributed to the qualified endowment sooner than the earlier of:

11 (i) The date of death of the beneficiaries; or

12 (ii) Five years after the date of the contribution.

13 (b) A contribution using the technique described in
14 subdivision (1)(g) of this section is not a planned gift unless
15 the payment of the annuity is required to begin within the life
16 expectancy of the annuitant or of the joint life expectancies
17 of the annuitants, if more than one annuitant, as determined
18 using the actuarial tables adopted by the Department of Revenue
19 in effect on the date of the contribution. The department may
20 adopt and promulgate rules and regulations adopting life expectancy
21 tables that are derived from the actuarial tables contained in the
22 publications of the Internal Revenue Service.

23 (c) A contribution using a technique described in
24 subdivision (1)(f) or (1)(g) of this section is not a planned gift
25 unless the annuity agreement provides that the interest of the
26 annuitant or annuitants in the gift annuity cannot be assigned to
27 the qualified endowment sooner than the earlier of:

- 1 (i) The date of death of the annuitant or annuitants; or
2 (ii) Five years after the date of the contribution.
3 (d) A contribution using a technique described in
4 subdivision (1)(f) or (1)(g) of this section is not a planned gift
5 unless the annuity is made by way of a qualified charitable gift
6 annuity contribution as defined in section 59-1802, 170 of the
7 code.

8 Sec. 2. Section 77-27,229, Revised Statutes Cumulative
9 Supplement, 2008, is amended to read:

10 77-27,229 (1) For purposes of sections 77-27,228 to
11 77-27,234, endowment fund means an institutional fund, or part
12 thereof, as defined in section 58-611.

13 (2) For purposes of sections 77-27,228 to 77-27,234,
14 qualified endowment means a permanent, irrevocable an endowment
15 fund that is used for Nebraska charitable purposes and held by a
16 Nebraska incorporated or established organization that:

17 ~~(1)(a)~~ (a) (i) Is a tax-exempt organization under section
18 501(c)(3) of the Internal Revenue Code of 1986, as amended; or

19 ~~(b)~~ (ii) Is a bank or trust company that is holding the
20 fund on behalf of a tax-exempt organization under section 501(c)(3)
21 of the code; and

22 ~~(2)~~ (b) Holds the fund as a permanent qualified endowment
23 fund from which funds may only be appropriated under the standards
24 set forth in section 58-613.

25 Sec. 3. Section 77-27,234, Revised Statutes Cumulative
26 Supplement, 2008, is amended to read:

27 77-27,234 Sections 77-27,228 to 77-27,233 terminate for

1 taxable years beginning or deemed to begin on or after ~~January 1,~~
2 ~~2010,~~ December 31, 2015, under the Internal Revenue Code of 1986,
3 as amended.

4 Sec. 4. This act becomes operative for all taxable years
5 beginning or deemed to begin on or after January 1, 2009, under the
6 Internal Revenue Code of 1986, as amended.

7 Sec. 5. Original sections 77-27,228, 77-27,229, and
8 77-27,234, Revised Statutes Cumulative Supplement, 2008, are
9 repealed.